

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Competitive Product Prices  
First-Class Package Service Contract 37  
(MC2014-72)  
Negotiated Service Agreement

Docket No. CP2014-75

PUBLIC REPRESENTATIVE COMMENTS ON  
POSTAL SERVICE NOTICE OF AMENDMENT  
TO FIRST-CLASS PACKAGE SERVICE CONTRACT 37

(January 7, 2016)

The Public Representative hereby provides comments pursuant to Order No. 2972.<sup>1</sup> In that Order, the Commission established the above referenced docket to receive comments from interested persons, including the undersigned Public Representative, on a Postal Service Notice of an Amendment to the terms of First-Class Package Service Contract 37.<sup>2</sup> Attachment A to the Notice consists of a redacted version of the Amendment to Contract 37.

In Order No. 2179, the Commission approved the Postal Service's request to add a new product identified as First-Class Package Service Contract 37 to the Competitive product list.<sup>3</sup> The Amendment revises the calculation of the annual adjustment to the Contract's prices, as described in Section II.I of the Contract.

The Postal Service asserts that the Amendment will not materially affect the cost coverage of Contract 37. Notice at 1. The Postal Service adds that as a result, the supporting financial documentation and financial certification initially provided in Docket Nos. MC2014-42/CP2014-75 remains applicable. *Id.* The Postal Service also states

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<sup>1</sup> Order No. 2972, Notice and Order Concerning Amendment to a First-Class Package service Negotiated Service Agreement, January 4, 2016.

<sup>2</sup> Notice of United States Postal Service of Amendment to First-Class Package Service Contract 37, with Portions Filed Under Seal, December 31, 2015 (Notice).

<sup>3</sup> See Order No. 2179, Order Adding First-Class Package Service Contract 37 to the Competitive Product List, Docket Nos. MC2014-42/CP2014-75, September 10, 2014.

that the Amendment will take effect 2 business days following the day on which Commission completes its regulatory review of this filing. *Id.*

## COMMENTS

The Public Representative has reviewed the Postal Service's Amendment to First-Class Package Service Contract 37. Based upon that review, the Public Representative recommends Commission approval of the Amendment to Contract 37.

The Postal Service's assessment that the Amendment will not materially affect the cost coverage of Contract 37 is not unreasonable. As filed, the Amendment makes minor clarification of the calculations used to adjust prices during the final years of the contract. The Public Representative therefore believes that these changes are not likely to have a material effect on cost coverage of Contract 37.

The Postal Service must continue to file revenue and cost data for Contract 37 in future Annual Compliance Reports. This data will permit the Commission to annually review the financial results for Contract 37 in future Annual Compliance Determination (ACD) reports for compliance with 39 U.S.C. § 3633(a).

The Public Representative respectfully submits the foregoing comments for the Commission's consideration.

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